

HOUSE BILL No. 1365

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-4-11.5.

Synopsis: Tax assessment of land affected by flooding. Upon the filing of a petition in a calendar year by the owner of real property permanently flooded or rendered inaccessible by flooding, requires adjustment of property taxes payable in the calendar year and reassessment of the property for future years in which the flooding continues. Applies the reassessment provision to flooding that occurs after March 1, 2008. Authorizes a refund if property taxes are paid based on the assessment that applied before the reassessment.

Effective: January 1, 2007 (retroactive); January 1, 2008 (retroactive).

Van Haaften

January 13, 2009, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1365

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-4-11.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: **Sec. 11.5. (a)**
4 **This section applies to one (1) or more parcels of real property in**
5 **a county:**

6 (1) **that are permanently flooded; or**

7 (2) **to which access over land is permanently prevented by**
8 **flooding.**

9 (b) **The owner of one (1) or more parcels referred to in**
10 **subsection (a) may petition the county assessor for a reassessment**
11 **of the parcel or parcels. Upon receipt of the petition, the county**
12 **assessor shall:**

13 (1) **cause a survey to be made of the parcel or parcels; and**

14 (2) **if the parcel or parcels meet the description of subsection**
15 **(a), order a reassessment of the parcel or parcels.**

16 (c) **If the flooding referred to in subsection (a) occurs before**
17 **May 11 of a calendar year (the "current year") and after the**

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1 immediately preceding November 10 and a petition under
 2 subsection (b) is filed not later than December 31 of the current
 3 year:

4 (1) the reassessment ordered under subsection (b):

5 (A) takes effect for:

6 (i) the assessment date in the current year; and

7 (ii) the assessment date in the calendar year that
 8 immediately precedes the current year; and

9 (B) treats the parcel or parcels for those assessment dates
 10 as:

11 (i) being permanently flooded; or

12 (ii) having overland access permanently prevented by
 13 flooding;

14 (2) the property taxes first due and payable in the current
 15 year with respect to the parcel or parcels are determined
 16 based on the reassessment; and

17 (3) the property taxes first due and payable in the calendar
 18 year that immediately succeeds the current year with respect
 19 to the parcel or parcels are determined based on the
 20 reassessment.

21 (d) If the flooding referred to in subsection (a) occurs after May
 22 10 of the current year and before November 11 of the current year
 23 and the petition under subsection (b) is filed not later than
 24 December 31 of the current year:

25 (1) subsection (c)(1) and (c)(3) apply; and

26 (2) only:

27 (A) the second installment of property taxes under
 28 IC 6-1.1-22-9(a) first due and payable in the current year
 29 with respect to the parcel or parcels; or

30 (B) if property taxes are payable by a method other than
 31 two (2) annual installments, one-half (1/2) of the property
 32 tax liability for property taxes first due and payable in the
 33 current year with respect to the parcel or parcels;

34 is determined based on the reassessment.

35 (e) This subsection applies only if:

36 (1) the county assessor orders a reassessment under
 37 subsection (b); and

38 (2) the property owner pays property taxes in the current
 39 year with respect to the parcel or parcels based on the
 40 assessment that applied before the ordered reassessment.

41 The property owner is entitled to a refund of property taxes based
 42 on the difference in the amount of property taxes paid and the

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amount of property taxes determined based on the ordered reassessment. A property owner is not required to apply for a refund due under this section. The county auditor shall, without an appropriation being required, issue a warrant to the property owner payable from the county general fund for the amount of the refund, if any, due the property owner.

(f) If:

(1) the county assessor orders a reassessment under subsection (b); and

(2) when the reassessment is completed the property owner has not paid property taxes in the current year with respect to the parcel or parcels based on the assessment that applied before the ordered reassessment;

the county treasurer shall issue to the property owner tax statements that reflect property taxes determined based on the reassessment.

(g) The county assessor shall specify in an order under subsection (b) the time within which the reassessment must be completed and the date on which the reassessment takes effect.

(h) A reassessment under this section for an assessment date continues to apply for subsequent assessment dates until the assessor:

(1) determines that circumstances have changed sufficiently to warrant another reassessment of the property; and

(2) reassesses the property based on the determination under subdivision (1).

(i) The county auditor and county treasurer shall publicize the availability of a reassessment under this section through appropriate media in a manner reasonably designed to reach members of the public.

SECTION 2. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]

(a) This SECTION applies to one (1) or more parcels of real property in a county:

(1) that after March 1, 2008, and before November 11, 2008, are permanently flooded; or

(2) to which access over land is permanently prevented after March 1, 2008, and before November 11, 2008, by flooding.

(b) Not later than July 1, 2009, the owner of one (1) or more parcels referred to in subsection (a) may petition the county assessor for a reassessment of the parcel or parcels. Upon receipt of the petition, the county assessor shall:

(1) cause a survey to be made of the parcel or parcels; and

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(2) if the parcel or parcels meet the description of subsection

(a), order a reassessment of the parcel or parcels that:

(A) subject to subsection (d), takes effect for the assessment dates in 2007 and 2008; and

(B) treats the parcel or parcels for those assessment dates as:

(i) being permanently flooded; or

(ii) having overland access permanently prevented by flooding.

(c) The county assessor shall specify in an order under subsection (b) the time within which the reassessment must be completed and the assessment dates for which the reassessment takes effect.

(d) If the county assessor orders a reassessment under subsection (b):

(1) the property owner is entitled to a refund of property taxes in the amount of one-half (1/2) of the remainder of:

(A) the amount paid by the property owner with respect to the parcel or parcels for 2007 property taxes first due and payable in 2008; minus

(B) the 2007 property taxes first due and payable in 2008 with respect to the parcel or parcels determined based on the reassessment; and

(2) the 2008 property taxes first due and payable in 2009 with respect to the parcel or parcels are determined based on the reassessment.

(e) A property owner is not required to apply for a refund due under this SECTION. The county auditor shall, without an appropriation being required, issue a warrant to the property owner payable from the county general fund for the amount of the refund, if any, due the property owner. No interest is payable on the refund.

(f) The county auditor and county treasurer shall publicize the availability of a reassessment under this SECTION through appropriate media in a manner reasonably designed to reach members of the public.

(g) This SECTION expires January 1, 2010.

SECTION 3. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]
IC 6-1.1-4-11.5, as added by this act, applies only to property taxes first due and payable after 2008.

SECTION 4. An emergency is declared for this act.

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